STAFF REPORT ON COMPLIANCE WITH VOLUNTARY PROCUREMENT AND EMPLOYMENT CONDITIONS 1ST QUARTER, 1999

Prepared for June 15, 1999, Board Meeting

This report illustrates riverboat gaming licensees' compliance with the voluntary procurement and employment conditions proposed in their respective applications.

These conditions were proposed by each of the applicants who received licenses to operate riverboat casinos in the State of Louisiana.

The Louisiana Riverboat Economic Development and Gaming Control Act provides for fifteen riverboat casinos to operate in the State of Louisiana. As of this date of this report, thirteen riverboat casinos are currently operating in the State of Louisiana.

This report is taken from figures reported by thirteen operating riverboats to the Louisiana Gaming Control Board for the first calendar quarter of 1999. Approximately, 15,466 people were employed by the riverboat industry for the 1999 first calendar quarter. Of that number, 15,025 were Louisiana residents, 8,774 were minorities and 8,689 were women.

Where the application did not set forth a specific procurement or employment figure, but instead relied on census figures to state the proposed goals, 1990 census figures have been supplied to illustrate that licensee's level of compliance.

1. LOUISIANA RIVERBOAT GAMING PARTNERSHIP:

(Isle of Capri Casino - Bossier City)

Preliminary Approval: March 12, 1993 Operations commenced: April 22, 1994

A. <u>Voluntary Conditions:</u>

i. **Employment Conditions:**

- a. Hire 75% Louisiana residents.
- b. Hire 24.3% minorities and women or in proportion with the population of state or parish, whichever is greater.
- c. Hire 770 persons in riverboat and support operations.

ii. **Procurement Conditions:**

a. Procure 75% of goods and services from or

through Louisiana companies, excluding Riverboat construction and purchase of gaming devices and supplies.

b. Procure 10% and 10% of goods and services from minority and women majority-owned firms.

B. Actual Results per Quarterly Reports supplied by Riverboats:

March 31, 1999

i. Employment Results:

Total	1,268	
Louisiana	98.03%	(1,243)
Minority	55.84%	(708)
Female	58.28%	(739)

ii. **Procurement Results:**

Total La.	58.61%
Minority	17.37%
Female	23.41%

C. <u>1990 Statewide census results:</u>

Minority Percentage: 34.76% Female Percentage: 51.86%

2. RED RIVER ENTERTAINMENT OF SHREVEPORT PARTNERSHIP IN COMMENDAM: (Harmah's Shrevenort)

(Harrah's - Shreveport)

Preliminary Approval: March 12, 1993 Operations commenced: April 18, 1994

A. <u>Voluntary Conditions:</u>

i. **Employment Conditions:**

- a. Hire 80% Louisiana residents.
- b. Hire minorities and women in proportion with the population of the state or parish, whichever is greater.

c. Hire 700 persons in riverboat and support operations.

ii. **Procurement Conditions:**

- a. Procure 60% of goods and services from or through Louisiana companies, excluding Riverboat construction and purchase of gaming devices and supplies.
- b. Procure 25% of goods and services from minority owned firms.
- c. Procure 10% of goods and services from female majority-owned firms.

B. Actual Results per Quarterly Reports supplied by Riverboats:

March 31,1999

i. Employment Results:

Total	1,328
Louisiana	97.7% (1,298)
Minority	79.3% (1,053)
Female	59.1% (785)

78 20%

ii. **Procurement Results:**

Total La.	10.570	
Minority	25.5%	(17.3% with construction)
Female	26%	(17.6% with construction)

C. 1990 Statewide census results:

Minority Percentage: 34.76% Female Percentage: 51.86%

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3. PLAYERS LAKE CHARLES, INC.: (Players III - Lake Charles)

Preliminary Approval: March 12, 1993 Operations commenced: December 8, 1994

A. Voluntary Conditions:

i. **Employment Conditions:**

- a. Hire 75% Louisiana residents.
- b. Hire minorities and women in proportion with the population of the state or parish, whichever is greater.
- c. Hire 800 persons in riverboat and support operations.

ii. **Procurement Conditions:**

- a. Procure 60% of goods and services from or through Louisiana owned companies, excluding Riverboat construction and purchase of gaming devices and supplies.
- b. Procure 10% (minorities) and 9% (female) of goods and services from minority and female majority-owned firms during preopening construction period.
- c. Procure 5% (minorities) and 5% (female) of goods and services from minority and female majority-owned firms during post construction period.

B. <u>Actual Results per Quarterly Reports supplied by Riverboats:</u>

March 31, 1999

i. Employment Results:

Total	1,192
Louisiana	98.3% (1,072)
Minority	50% (550)
Female	60% (650)

ii. **Procurement Results:**

Total La.	63.85%
Minority	7.11%
Female	8.16%

C. 1990 Statewide census results:

Minority Percentage: 34.76% Female Percentage: 51.86%

4. SHOWBOAT STAR PARTNERSHIP:

(Star Casino - Lake Charles)

Preliminary Approval: March 26, 1993 Operations commenced: October 24, 1994

A. Voluntary Conditions:

i. **Employment Conditions:**

- a. Hire 75% Louisiana residents.
- b. Hire minorities and women proportion to whichever is greater.
- c. Hire 800 persons in riverboat and support operations.

ii. **Procurement Conditions:**

- a. Procure 80% of goods and services from or through Louisiana companies, excluding Riverboat construction and purchase of gaming devices and supplies.
- b. Procure 10% and 10% of goods and services from minority and women majority-owned firms.

B. Actual Results per Quarterly Reports supplied by Riverboats:

March 31, 1999

i. Employment Results:

Total	477
Louisiana	97.9% (467)
Minority	50% (238)
Female	60% (288)

ii. **Procurement Results:**

Total La.	88.24%
Minority	16.85%
Female	13.50%

C. 1990 Statewide census results:

Minority Percentage: 34.76% Female Percentage: 51.86%

5. HORSESHOE ENTERTAINMENT, A LOUISIANA LIMITED PARTNERSHIP:

(The Horseshoe - Bossier City)

Preliminary Approval: March 26, 1993 Operations commenced: July 9, 1994

A. <u>Voluntary Conditions:</u>

i. **Employment Conditions:**

- a. Hire 75% Louisiana residents.
- b. Hire 45% minorities and women or in proportion to the population of the state or parish, whichever is greater.
- c. Employ 1000 persons in riverboat and support operations.

ii. **Procurement Conditions:**

- a. Procure 75% of goods and services from or through Louisiana companies, excluding Riverboat construction and purchase of gaming devices and supplies.
- b. Procure 35% and 35% of goods and services from minority and women majority-owned firms.

B. Actual Results per Quarterly Reports supplied by Riverboats:

March 31, 1999

i. Employment Results:

Total 2,760 Louisiana 98% (2,712) Minority 60% (1,642) Female 58% (1,608)

ii. **Procurement Results:**

Total La. 80%

Minority 27% (22% with construction) Female 35% (28% with construction)

C. <u>1990 Statewide census results:</u>

Minority Percentage: 34.76% Female Percentage: 51.86%

6. LOUISIANA-I GAMING D/B/A LOUISIANA GAMING ENTERPRISES, LTD.:

(Boomtown Casino - Harvey)

Preliminary Approval: June 18, 1993 Operations commenced: August 5, 1994

A. Voluntary Conditions:

i. **Employment Conditions:**

- a. Hire 90% Louisiana residents.
- b. Hire minorities and women in proportion to the population of the state or parish, whichever is greater.
- c. Employ 550 persons in riverboat and support operations.

ii. **Procurement Conditions:**

- a. Procure 80% of goods and services from or through Louisiana companies, excluding Riverboat construction and purchase of gaming devices and supplies.
- b. Procure 15% and 15% of goods and services from minority and women majority-owned firms.

B. <u>Actual Results per Quarterly Reports supplied by Riverboats:</u>

March 31, 1999

i. **Employment Results:**

Total 1,129

Louisiana 99.7% (1,126) Minority 48.63% (549) Female 59.7% (674)

ii. **Procurement Results:**

Total La. 97.81% Minority 15.04% Female 33.08%

C. <u>1990 Statewide census results:</u>

Minority Percentage: 34.76% Female Percentage: 51.86%

7. CATFISH QUEEN PARTNERSHIP/JAZZ ENTERPRISES, INC: (Belle of Baton Rouge - Baton Rouge)

Preliminary Approval: March 26, 1993 Operations commenced: September 30, 1994

A. Voluntary Conditions:

i. **Employment Conditions:**

- a. Hire 90% Louisiana residents.
- b. Hire minorities and women in proportion to the population of the state or parish, whichever is greater.
- c. Employ 800 persons in riverboat and support operations.

ii. **Procurement Conditions:**

- a. Procure 75% of goods and services from or through Louisiana companies, excluding Riverboat construction and purchase of gaming devices and supplies.
- b. Procure 15% and 15% of goods and services from minority and women majority-owned firms.
- B. <u>Actual Results per Quarterly Reports supplied by Riverboats:</u>

March 31, 1999

i. Employment Results:

Total 688

Louisiana 99.27% (683) Minority 56.83% (391) Female 48.98% (337)

ii. **Procurement Results:**

Total La. 79.37% Minority 16.78% Female 15.58%

C. <u>1990 Statewide census results:</u>

Minority Percentage: 34.76% Female Percentage: 51.86%

8. TREASURE CHEST CASINO, L.L.C.: (Treasure Chest - Kenner)

Preliminary Approval: June 18, 1993 Operations commenced: September 5, 1994

A. <u>Voluntary Conditions:</u>

i. **Employment Conditions:**

- a. Hire 80% Louisiana residents.
- b. Hire minorities and women in proportion to the population of the state or parish, whichever is greater.
- c. Employ 500 persons in riverboat and support operations.

ii. **Procurement Conditions:**

- a. Procure 75% of goods and services from or through Louisiana companies, excluding Riverboat construction and purchase of gaming devices and supplies.
- b. Procure 15% and 15% of goods and services from minority and women majority-owned firms.

B. Actual Results per Quarterly Reports supplied by Riverboats:

March 31, 1999

i. Employment Results:

Total	1,334
Louisiana	99.55% (1,328)
Minority	38.31% (511)
Female	47.83% (638)

ii. Procurement Results:

Total La.	92.14%
Minority	11.61%
Female	21.65%

C. <u>1990 Statewide census results:</u>

Minority Percentage: 34.76% Female Percentage: 51.86%

9. LOUISIANA CASINO CRUISES, INC.: (Casino Rouge - Baton Rouge)

Preliminary Approval: March 26, 1993 Operations commenced: December 28, 1994

A. <u>Voluntary Conditions:</u>

i. **Employment Conditions:**

- a. Hire 80% Louisiana residents.
- b. Hire minorities and women at 30% and 35% respectively, or in proportion to the population of the state or parish, whichever is greater.
- c. Employ 600 persons in riverboat and support operations.

ii. **Procurement Conditions:**

a. Procure 80% of goods and services from or

through Louisiana companies, excluding Riverboat construction and purchase of gaming devices and supplies.

b. Procure 10% and 10% of the total cost of goods and services from minorities and women (respectively) majority owned suppliers and firms during the re-opening construction phase. During the post-opening operating phase, to procure 10% and 10% of the total cost of goods and services from minorities and women (respectively) majority owned suppliers and firms.

B. Actual Results per Quarterly Reports supplied by Riverboats:

March 31, 1999

i. Employment Results:

Total	952
Louisiana	99.26% (945)
Minority	57.04% (543)
Female	52.21% (497)

ii. Procurement Results:

Total La.	74.87%
Minority	5.71%
Female	7.02%

C. 1990 Statewide census results:

Minority Percentage: 34.76% Female Percentage: 51.86%

10. **BELLE OF ORLEANS, L.L.C.:**

(Belle of Orleans (Bally's) - New Orleans)

Preliminary Approval: June 18, 1993 Operations commenced: July 7, 1995

A. <u>Voluntary Conditions:</u>

i. **Employment Conditions:**

- a. Hire 70% Louisiana residents.
- b. Hire minorities and women in proportion whichever is greater.
- c. Hire 400 persons in riverboat and support operations.

ii. **Procurement Conditions:**

- a. Procure 80% of goods and services from or through Louisiana companies, excluding Riverboat construction and purchase of gaming devices and supplies.
- b. Procure 30% of goods and services from minority owned firms.
- c. Procure 10% of goods and services from majority female owned firms.

B. Actual Results per Quarterly Reports supplied by Riverboats:

March 31, 1999

i. Employment Results:

Total	909
Louisiana	99% (902)
Minority	85% (772)
Female	56% (513)

ii. **Procurement Results:**

Total La.	58%
Minority	26%
Female	7.28%

C. <u>1990 Statewide census results:</u>

Minority Percentage: 34.76% Female Percentage: 51.86%

11. ST. CHARLES GAMING COMPANY, INC. (Isle of Capri - Lake Charles)

Preliminary Approval: June 18, 1993

Operations commenced: July 29, 1995

A. <u>Voluntary Conditions:</u>

i. **Employment Conditions:**

- a. Hire 75% Louisiana residents.
- b. Hire minorities and women in proportion with the population of the state or parish, whichever is greater.
- c. Hire 650 persons in riverboat and support operations.

ii. **Procurement Conditions:**

- a. Procure 60% of goods and services from or through Louisiana companies.
- b. Procure 10% and 10% of goods and services from minority and women majority-owned suppliers and firms.

B. Actual Results per Quarterly Reports supplied by Riverboats:

March 31, 1999

i. Employment Results:

Total	1,238
Louisiana	96.8% (1,199)
Minority	49.92% (618)
Female	58.24% (721)

ii. **Procurement Results:**

Total La.	87.28%
Minority	20.85%
Female	17.41%

C. 1990 Statewide census results:

Minority Percentage:	34.76%
Female Percentage:	51.86%

12. GRAND PALAIS RIVERBOAT, INC.

(Isle of Capri - Lake Charles)

Preliminary Approval: June 18, 1993 Operations commenced: July 12, 1996

A. <u>Voluntary Conditions:</u>

i. **Employment Conditions:**

- a. Hire 90% Louisiana residents.
- b. Hire minorities and women in proportion with the population of the state or parish, whichever is greater.
- c. Hire 520 persons in riverboat and support operations.

ii. **Procurement Conditions:**

- a. Procure 90% of goods and services from or through Louisiana companies.
- b. Procure 10% and 8% of goods and services from minority and women majority-owned suppliers and firms.

B. <u>Actual Results per Quarterly Reports supplied by Riverboats:</u>

March 31, 1999

i. Employment Results:

655
92.1% (603)
39.39% (258)
59.69% (391)

ii. **Procurement Results:**

Total La.	73.26%
Minority	30.78%
Female	7.12%

C. 1990 Statewide census results:

Minority Percentage: 34.76% Female Percentage: 51.86%

13. CRESCENT CITY CAPITAL DEVELOPMENT CORP.

(Casino Magic - Bossier City)

Preliminary Approval: June 18, 1993 Operations commenced: October 4, 1996

A. <u>Voluntary Conditions:</u>

i. **Employment Conditions:**

- a. Hire 80% Louisiana residents.
- b. Hire minorities and women in proportion with the population of the state or parish, whichever is greater.
- c. Hire 775 persons in riverboat and support operations.

ii. **Procurement Conditions:**

- a. Procure 80% of goods and services from or through Louisiana companies.
- b. Procure 10% and 10% of goods and services from minority and women majority-owned suppliers and firms.

B. <u>Actual Results per Quarterly Reports supplied by Riverboats:</u>

March 31, 1999

i. Employment Results:

Total	1,465
Louisiana	98.8% (1,447)
Minority	57.9% (848)
Female	64.2% (941)

ii. **Procurement Results:**

Total La.	66%
Minority	3.2%
Female	10%

C. 1990 Statewide census results:

Minority Percentage: 34.76% Female Percentage: 51.86%